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Adoption of the report of the Committee on its forty-first session

Draft report

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Addendum

Programme questions: proposed programme budget for the biennium 2002-2003

(Item 4 (a))

Part one, Foreword and introduction

1. At its 6th, 7th and 8th meetings, on 13 and 14 June 2001, the Committee for Programme and Coordination considered the report of the Secretary-General on the proposed programme budget for the biennium 2002-2003, the first biennial programme budget within the medium-term plan for the period 2002-2005.

2. The representative of the Secretary-General introduced the foreword and introduction to the proposed programme budget (A/56/6 (Introduction)) and responded to queries raised during the Committee's consideration of the document.

Discussion

3. Satisfaction was expressed with the timely presentation of the budget in its new results-based format, and with the efforts of the Secretary-General to formulate the required objectives, expected accomplishments, and indicators of achievement. The effort to draw clear linkages between the medium-term plan and the resource requests in the budget was considered particularly notable. The view was expressed that many of the indicators seemed appropriate and useful, while others needed to be refined to become more specific, measurable, achievable, realistic and time-bound. Concern was expressed that expected accomplishments and indicators of

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achievement had been rephrased in a selective way compared with the medium-term plan. It was observed that the Committee had a responsibility in that regard to ensure that those programme elements of the proposed programme budget were consistent with the medium-term plan for the period 2002-2005.

4. It was stated that, in the consideration and implementation of results-based budgeting, all the provisions of resolution 55/231 should be adhered to. It was observed that results-based budgeting was not an end in itself and that the measures approved by the Assembly should be implemented in a gradual and incremental manner, bearing in mind the intergovernmental, multilateral and international character of the United Nations. The view was expressed that the United Nations regular budget had its unique features, which should be taken into account in the formulation and application of the indicators of achievements. It was pointed out that not all mandates of the United Nations could be measured against indicators, and that some complex and long-standing political activities might not be realized in a specific time frame.

5. The view was expressed that, despite the formatting improvements, it was still difficult to measure the cost-effectiveness of the regular budget, and that more critical attention should be paid to activities which were rolled over from one budget period to the next, particularly to their continued relevance and effectiveness. With regard to the list of recurrent outputs that were not to be carried out in the subsequent biennium, it was noted that the vast majority of budget sections were not represented, and that there was a need for regular evaluation of all programme activities. While it was recognized that the results-based format established a basis for improved evaluation, it was also stressed that it was important for the Secretariat to take the necessary steps to ensure that evaluation took place, including the enhancement of existing systems and the implementation of new measures. Further, the view was expressed that many of the expected achievements set out in the proposed budget document were too broad to be evaluated.

6. Concern was expressed that some of the proposed budget sections were not consistent with the medium-term plan for the period 2002-2005. It was reconfirmed that the medium-term plan was the main political guideline of the Organization and the basis for the elaboration of the proposed programme budget. It was therefore stated that the proposed programme budget had to be adjusted to the parameters contained in the approved medium-term plan, and had to incorporate activities with legislative mandates. With regard to the distribution of resources, concern was expressed that some of the mandates of the medium-term plan had not been sufficiently taken into account, that there was a disproportionate allocation of resources between the different priorities, and that the proposed inputs were not commensurate with the needs of the programmes. It was stated that the priorities approved in resolution 55/233 had to receive resources in accordance with their status as priority areas. The proposed programme budget gave special attention and more resources to non-priority activities. It was also stated that, whereas resource growth was proposed for some areas of activities which were not a priority, only a minimum level of growth was proposed for international cooperation for development. That was considered to be contrary to the statement by the Secretary-General that the phenomenon of globalization presented the single most important set of challenges facing the Organization in the years ahead.

7. It was emphasized that budgetary discipline should be exercised, that new requirements for resources should be closely scrutinized and weighed against continuing commitments, and that resources — including posts — should be redeployed from lower priority areas to higher priority areas. Concern was expressed regarding the ability of the Organization to deliver expanded and increased mandates within the same level of real resources. At the same time, the view was also expressed that further cost efficiencies could be realized and resources should be scrutinized to avoid increases with inadequate justification.

8. Concern was expressed regarding the number of reclassifications and new posts at senior levels indicated in the proposed programme budget. It was noted that, while some justification could be found for supporting increases in posts at the P-2 level, it was more difficult to support posts at the D-2 and ASG levels. The view was expressed that increases in senior-level posts could lead to a distortion in the pyramid staffing structure and to an Organization that was too top-heavy. The implementation of the human resource programme recently approved by the General Assembly was expected to result in lower vacancy rates than those budgeted in the proposals.

9. It was considered that shifting sources of funding from the regular budget to extrabudgetary resources should be avoided. Particular concern was expressed that the transfer of posts between those two sources of funding could lead to too great a reliance on extrabudgetary funding.

10. On the subject of information technology, regret was expressed that, despite considerable investment, no sizeable savings had yet been realized. Taking into account the difficulties that still existed in many countries with regard to Internet access, the view was expressed that increases in the use of information technology and electronic publishing should not prejudice the availability and distribution of documents in traditional hard copy format and in the official languages.

11. It was underlined that once the proposed programme budget was approved, it was essential that Member States fulfil their financial contributions with the United Nations to give sense to the budgetary process and to ensure the agreed expected accomplishments.

Conclusions and recommendations

12. The Committee recommended that the General Assembly approve the narrative part of the foreword and introduction of the proposed programme budget for the biennium 2002-2003, subject to the following.

13. The Committee noted the new presentation of the proposed programme budget and recommended that the General Assembly request the Secretary-General to encourage programme managers to continue their efforts to improve that presentation in accordance with General Assembly resolution 55/231 and other relevant resolutions.

14. The Committee noted also that there were some shortcomings in the narrative sections of the proposed programme budget, and recommended that the General Assembly request the Secretary-General to ensure that programme managers comply with the provisions of the medium-term plan in the preparation of the proposed programme budget, in particular with regard to

expected accomplishments and indicators/measurements of achievement, and also taking into account the mandates specific to the biennium.

15. The Committee recommended that the General Assembly request the Secretary-General to prepare the next biennial proposed programme budget in full conformity with the medium-term plan for the period 2002-2005 as adopted by the General Assembly in its resolution 55/234, in particular with regard to the expected accomplishments and indicators of achievement, taking into account the legislative mandates specific to the biennium.

16. The Committee also recommended that the Secretary-General apply objectives, expected accomplishments and indicators of achievement to activities relating to executive direction and management. The Committee further recommended that the General Assembly request the Secretary-General to invite the Registrar of the International Court of Justice to apply objectives, expected accomplishments and indicators of achievement to the activities of the International Court of Justice.

17. The Committee stressed the necessity of rendering the expected accomplishments and indicators of achievement to measure achievements in the implementation of the programmes of the Organization, and not that of individual Member States, giving a clear indication of the progress expected during the biennium, taking into account the international character of the United Nations, the purposes of its Charter and its legislative mandates, as well as the fact that the objectives of the Organization might not be realized in one medium-term plan only. The Committee also stressed the necessity of better integrating outputs into the programmatic framework of objectives and expected accomplishments, bearing in mind the direct relationship between input and outputs. The Committee also underlined that expected accomplishments and indicators of achievement should be capable of reflecting what is achievable during the course of the forthcoming biennium.

18. The Committee recommended that more specific references be included in the proposed programme budget to the role of information technology in helping to deliver programmed activity and to render more effective specific activities such as conference-servicing and information policy.

19. The Committee emphasized the importance of an efficient and quality implementation of programmes and recommended that the General Assembly request the Secretary-General to provide information on how programme managers review their outputs to help Member States determine their continuing relevance and effectiveness, as well as to ensure that there were no duplications.

20. The Committee requested the Secretary-General to study the feasibility of best practices regarding support services among United Nations duty stations.

21. The Committee noted the intention of the Secretary-General, reflected in paragraph 38 of the annex to the foreword and introduction to the proposed programme budget for 2002-2003, to submit an interim report towards the middle of the biennium on progress made regarding the collection of performance data for the indicators of achievement.

22. The Committee, on the issue of documentation for the fifty-sixth session of the General Assembly, expressed concern at the statement made by the Secretariat that only 25 per cent of the anticipated documentation would be available in time for consideration by the Assembly and recommended that the Assembly reiterate its request to the Secretary-General to strengthen accountability and responsibility measures, where applicable, to correct the situation concerning the submission of documentation consistent with the six-week rule. The Committee supported the Assembly's request to the Secretary-General to ensure that documentation was available in accordance with the six-week rule for the distribution of resources simultaneously in the six official languages of the Assembly.

23. The Committee noted a trend towards an increasing use of extrabudgetary funds for activities that should be funded under the regular budget. In that regard, the Committee recommended that the issue be considered by the General Assembly, taking into account its impact on the implementation of mandated activities and noting the need for all mandated programmes and activities to be adequately funded.

24. Regarding the annex to the introduction to the proposed programme budget, the Committee recommended that the General Assembly consider it in the light of its resolution 55/231 on results-based budgeting.

25. The Committee noted that the distribution of resources among sections should comply fully with the priorities established in the medium-term plan and recommended that the General Assembly give due consideration to that matter.

26. The Committee stressed that all Member States should pay their assessed contributions in full, on time and without imposing conditions, to avoid the financial difficulties being experienced by the Organization.

27. The Committee noted that resolution 41/213 called for a comprehensive solution to the problem of additional expenditures deriving from inflation and currency fluctuations. In that regard, the Committee recommended that the General Assembly request the Secretary-General to present an updated study for consideration at its resumed fifty-sixth session.